Message Text

CONFIDENTIAL

PAGE 01 TOKYO 01487 011225Z

46

ACTION EA-14

INFO OCT-01 AF-10 EUR-25 NEA-11 ISO-00 EB-11 FEA-02 SS-20

NSC-10 CIEP-02 L-03 TRSE-00 CIAE-00 INR-10 NSAE-00

RSC-01 DRC-01 /121 W

----- 034334

R 011105Z FEB 74

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 9714

INFO AMEMBASSY BEIRUT

AMEMBASSY BONN

AMEMBASSY JIDDA

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY TEHRAN

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION OECD PARIS

USINT ALGIERS

CONFIDENTIAL TOKYO 1487

STATE ALSO FOR T/IEP

1. DURING MEETING WITH DEPUTY ASSISTANT SECRETARY SNEIDER, FONOFF DEPUTY VICE MINISTER TOGO PRESENTED SOME OVERALL OBSERVATIONS ON RECENTLY CONCLUDED VISIT OF SAUDI PETROLEUM MINISTER YAMANI TO JAPAN (WHICH SUPPLEMENT EMBASSY REPORT SEPTEL) AND ENERGY CONFERENCE. TOGO SAID HE HAD FOUND YAMANI TO BE "CONCEITED AND DIFFICULT TO DEAL WITH." YAMANI HAD USED CARROT AND STICK TACTICS OF OFFERING BILATERAL OIL DEAL AND DECREASE IN PRICE, AND THEN THREATENING OIL CUTBACKS AND PRICE INCREASES. AT ONE POINT YAMANI HAD SAID SAUDIS WERE PREPARED TO RAISE PRODUCTION TO SEPTEMBER 1973 LEVELS, AND THEN HAD SAID THAT FOREIGN CURRENCY RESERVES WERE NO PROBLEM SINCE SAUDI ARABIA WAS GOING TO CUT BACK PRODUCTION. YAMANI USED LINE THAT HE WAS CONFIDENTIAL

CONFIDENTIAL

PAGE 02 TOKYO 01487 011225Z

MODERATE, AND THAT IF JAPAN COULD NOT DEAL WITH HIM,

IT WOULD HAVE MUCH WORSE TIME DEALING WITH RADICAL ARABS. TOGO SAID JAPANESE HAD NOT WANTED TO OFFEND YAMANI, BUT AT SAME TIME UNDERSTOOD GAME HE WAS PLAYING.

2. RE ENERGY CONFERENCE TOGO SAID YAMANI HAD STRESSED HE OPPOSED ANY CONFRONTATION. DEPUTY ASSISTANT SECRETARY SNEIDER EXPLAINED TO TOGO THAT U.S. WAS NOT LOOKING FOR CONFRONTATION, BUT THAT THERE WERE INHERENT DIFFERENCES OF VIEWS BETWEEN PRODUCERS AND CONSUMERS. TOGO RESPONDED THAT JAPAN RECOGNIZED IT HAD NO ALTERNATIVE TO COOPERATION. BUT WANTED TH AVOID THE APPEARANCE OF BUILDING A CONSUMER NATION CONSENSUS, WHICH MIGHT LOOK LIKE CONSUMERS GANGING UP ON PRODUCERS. TOGO ALSO EXPRESSED SOME CONCERN THAT WORKING GROUPS MIGHT GIVE THIS APPEARANCE OF CONFRONTATION. SNEIDER NOTED HOWEVER THAT THERE ARE NO WORKING GROUPS WHICH PER SE DEAL WITH EITHER OIL PRICE OR SUPPLY, AND FULLY EXPLAINED RATIONALE THAT CONSUMERS HAD TO GET TOGETHER TO DISCUSS FUTURE R & D, WHICH PRODUCERS THEMSELVES HAD URGED, ECONOMIC IMPLICATIONS OF OIL SITUATION, ETC. TOGO DID NOT OBJECT TO THIS. HE NOTED JAPAN CAUGHT IN A VISE AND RECOGNIZED THAT OVER LONG RUN IT WOULD HAVE TO DO SOMETHING TO AVOID SITUATION WHERE ITS ECONOMIC POLICY WOULD BE MADE AT JIDDA.

3. THIS MESSAGE NOT CLEARED BY MR. SNEIDER.

SMITH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: FOREIGN RELATIONS, PETROLEUM, SUPPLIES, PETROLEUM PRODUCTION, MINISTERIAL VISITS, ENERGY CONFERENCES,

Control Number: n/a Copy: SINGLE Draft Date: 01 FEB 1974 Decaption Date: 01 JAN 1960 Decaption Note:

Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974TOKYO01487
Document Source: CORE
Document Unique ID: 00

Document Unique ID: 00

Drafter: n/a Enclosure: n/a Executive Order: GS Errors: N/A Film Number: n/a

From: TOKYO Handling Restrictions: n/a

Image Path: ISecure: 1

Legacy Key: link1974/newtext/t19740260/aaaaceli.tel

Line Count: 89

Locator: TEXT ON-LINE Office: ACTION EA

Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a

Page Count: 2

Previous Channel Indicators:

Previous Classification: CONFIDENTIAL Previous Handling Restrictions: n/a Reference: n/a Review Action: RELEASED, APPROVED

Review Authority: golinofr Review Comment: n/a Review Content Flags: Review Date: 27 MAR 2002

Review Event:

Review Exemptions: n/a

Review History: RELEASED <27 MAR 2002 by martinml>; APPROVED <31 MAY 2002 by golinofr>

Review Markings: Declassified/Released

US Department of State EO Systematic Review

30 JUN 2005

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: YAMANI VISIT TO JAPAN TAGS: ENRG, JA, (YAMANI) To: STATE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005